



STATE BANK OF NIANTIC

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(D. P. Roman)
A Real
Community
Bank®

2005 SEP 26 AM 11 58

FDIC San Francisco Regional Office
Director Johns F. Carter
25 Jessie Street at Ecker Square
Suite 2300
San Francisco, CA 94105

RE: Wall Mart's Application for ILC in Utah

Dear Mr. Carter:

Does Wal-Mart need to be involved in everything?

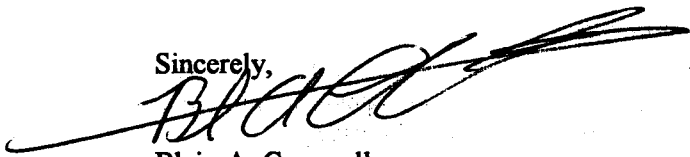
I could write a long dissertation as to why Wal-Mart should not be involved in banking but those reasons I believe are clearly defined but I would like to spend a little time as to how it will affect my bank directly.

The State Bank of Niantic is a small community bank located between Springfield and Decatur, Illinois. We struggle to maintain the market we have as competition comes from every angle, not just other banks but from all sorts of financial entities that offer deposit type products and loan funds. Due to the shrinking nature of agriculture we have tried to expand in other areas but this is difficult due to the intense competition. Now Wal-Mart comes along and wants to get involved in banking. We all know that through the ILC loophole that will let them get their foot in the door, which will lead to full-blown banking as soon as they are allowed to. What this will mean is what is has meant for so many other small retailers, another "nail in the coffin".

Currently there are two Wal-Mart Super centers on each side of Springfield and Decatur along with a Sam's club in each. They will eventually be our direct competitors if this approval is granted and more competition in a saturated market. As they have proven in how they have operated in the past, they have the financial where-with-all to price the competition out of the market until the competition is gone and then they can do whatever they want.

I hope that common sense will rule in this matter and stop Wal-Mart in its tracks in trying to be everything to everybody. One day the government will wake up and realize this is not in the best interests of the citizens of this great country.

Sincerely,


Blain A. Cornwell
President